UNITED STATES OF AMERICA DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

CONWEST EXPLORATION COMPANY LIMITED) FE DOCKET NO. 94-52-NG

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 963

I. DESCRIPTION OF REQUEST

On July 14, 1994, Conwest Exploration Company Limited (Conwest) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)1/ and DOE Delegation Order Nos. 0204-111 and

0204-127, requesting blanket authorization to import up to 200

Bcf of natural gas from Canada over a two-year term beginning on

August 1, 1994. Conwest, an Alberta corporation with its principal place of business in Calgary, is a producer and marketer of oil and natural gas. Conwest anticipates importing this Canadian gas, through short-term or spot transactions, to sell to U.S. customers. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Conwest has been evaluated to determine if the proposed import arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), an import of natural gas from a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by Conwest to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and,

therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

- A. Conwest Exploration Company Limited (Conwest) is authorized to import up to 200 Bcf of natural gas from Canada over a two-year term beginning on the date of the first delivery. This natural gas may be imported at any point on the border of the United States and Canada.
- B. Within two weeks after deliveries begin, Conwest shall provide written notification to the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.
- C. With respect to the natural gas imports authorized by this Order, Conwest shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made.

 Quarterly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Conwest must report monthly total volumes in Mcf and the average purchase price per MMBtu at the international

border. The reports shall also provide the details of each import transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the point(s) of entry; (5) the name of the United States transporter(s); (6) the geographic market(s) served; (7) whether the sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering

Paragraph C of this Order is due not later than October 30, 1994,

and should cover the period from the date of this Order until the

end of the third calendar quarter, September 30, 1994.

Issued in Washington, D.C., on July 26, 1994.

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Anthony J. Como Director Office of Coal & Electricity Office of Fuels Programs Office of Fossil Energy